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*Proposed Counsel to the Debtors  
 and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT  
 EASTERN DISTRICT OF NEW YORK

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In re:	: Chapter 11
	:
ORION HEALTHCORP, INC.	: Case No. 18-71748 (AST)
CONSTELLATION HEALTHCARE TECHNOLOGIES, INC.	: Case No. 18-71749 (AST)
NEMS ACQUISITION, LLC	: Case No. 18-71750 (AST)
NORTHEAST MEDICAL SOLUTIONS, LLC	: Case No. 18-71751 (AST)
NEMS WEST VIRGINIA, LLC	: Case No. 18-71752 (AST)
PHYSICIANS PRACTICE PLUS, LLC	: Case No. 18-71753 (AST)
PHYSICIANS PRACTICE PLUS HOLDINGS, LLC	: Case No. 18-71754 (AST)
MEDICAL BILLING SERVICES, INC.	: Case No. 18-71755 (AST)
RAND MEDICAL BILLING, INC.	: Case No. 18-71756 (AST)
RMI PHYSICIAN SERVICES CORPORATION	: Case No. 18-71757 (AST)
WESTERN SKIES PRACTICE MANAGEMENT, INC.	: Case No. 18-71758 (AST)
INTEGRATED PHYSICIAN SOLUTIONS, INC.	: Case No. 18-71759 (AST)
NYNM ACQUISITION, LLC	: Case No. 18-71760 (AST)
NORTHSTAR FHA, LLC	: Case No. 18-71761 (AST)
NORTHSTAR FIRST HEALTH, LLC	: Case No. 18-71762 (AST)
VACHETTE BUSINESS SERVICES, LTD.	: Case No. 18-71763 (AST)
MDRX MEDICAL BILLING, LLC	: Case No. 18-71764 (AST)
VEGA MEDICAL PROFESSIONALS, LLC	: Case No. 18-71765 (AST)
ALLEGIANCE CONSULTING ASSOCIATES, LLC	: Case No. 18-71766 (AST)
ALLEGIANCE BILLING & CONSULTING, LLC	: Case No. 18-71767 (AST)
PHOENIX HEALTH, LLC	: Case No. 18-71789 (AST)
	:
Debtors.	: (Jointly Administered)
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**SUPPLEMENTAL DECLARATION OF FRANK A. LAZZARA**

1. I, Frank A. Lazzara, make this Declaration (the “Supplemental Declaration”) to supplement my prior Declaration dated June 4, 2018 (the “Initial Declaration”) and in further support of Debtors’ Response (i) in opposition to *Motion Pursuant to FRCP 45(d)(3) to Quash and/or Modify Debtors’ Subpoena Seeking Non-Debtor Records Held by Robinson Brog Leinwand Greene Genovese & Gluck P.C.* and (ii) in support of *Debtors’ Ex Parte Motion for an Order Pursuant to Bankruptcy Rules 2004 and 9014 Directing the Production of Documents and the Examination of Robinson Brog Leinwand Greene Genovese & Gluck PC, A. Mitchell Greene, Esq., Adam Greene, Esq., and Matthew C. Capozzoli, Esq.* [Docket No. 270] (the “Response”).<sup>1</sup> The Supplemental Declaration is also in response to the letter to the Court dated June 6, 2018 filed on behalf of Robinson Brog in response to the *Debtors’ Ex Parte Motion for 2004 Examination* [Docket No. 277]. I make this declaration based on (a) my personal knowledge, (b) my review of relevant documents and information concerning the Debtors’ operations, (c) my opinions based upon my experience and knowledge of the Debtors’ historically reported financial operations and financial conditions, or (d) information provided to me by management, advisors, employees or other representatives of the Debtors.

2. I am a Managing Director in the Forensic and Litigation Consulting practice of FTI Consulting, Inc. (“FTI”). My background, qualifications, and expertise, as well as the details of FTI’s investigation regarding the current and historical financial condition and business operations of Constellation Healthcare Technologies, Inc. (“CHT”) already have been set forth in the Initial Declaration.

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<sup>1</sup> Capitalized terms not otherwise defined in this Supplemental Declaration have the meaning given to them in the Response or the Initial Declaration, as applicable.

3. The purpose of the Supplemental Declaration is to provide new information concerning the Constellation Health Group domain name and the Robinson Brog Escrow Account.

4. Since the time of the filing of the Initial Declaration, additional information has become available demonstrating that the Debtors own the Constellation Health Group email domain that is used by Paul Parmar and Sam Zaharis and to which Robinson Brog reported all escrow accounting. An email dated June 5, 2018, from George Santayana, Orion's IT Infrastructure Manager, enclosing the expiration notification for constellationhealthgroup.com indicates that the Constellation Health Group domain is paid for by Orion under Orion's billing account with the domain registrar. A copy of that email is attached hereto as Exhibit HH.

5. On June 5, 2018, Robinson Brog provided a redacted escrow accounting report reflecting transactions for the Escrow Account through May 30, 2018 (the "Redacted IOLA"). As described further below, the Redacted IOLA contains redacted entries for non-debtor entities as well as for certain transactions recorded to Constellation Health LLC. A copy of the Redacted IOLA is attached herein as Exhibit II.

6. As further explained below, the Redacted IOLA contains limited information concerning the transfers of the funds between the debtor and non-debtor entities.

7. All escrow activity has been redacted for **Ranga Bhoomi**, despite evidence indicating that Ranga Bhoomi was used to pay for Debtor transactions, Debtor acquisition expenses and Debtor attorney fees. *See* Initial Declaration ¶¶ 15, 22. Ranga Bhoomi is also alleged to be the entity through which Parmar diverted company monies for property acquisitions. *See id.* ¶ 40.

8. All escrow activity has been redacted for **Constellation Health/CHT Clsing**. As previously explained in the Initial Declaration, some of the redacted transactions recorded to “Constellation Health/CHT clsing” relates to the proceeds from the Go Private Transaction which were then misappropriated for the purchase of real property by Parmar. *See* Initial Declaration ¶¶ 31, 36-38.

9. Two of the redacted Constellation Health LLC transactions are a \$1.75 million deposit into the Escrow Account from Orion (a Debtor entity) which was then transferred to **First United Health, LLC** (“First United Health”) on the next day. (*See* Initial Declaration, Ex. A.) All escrow activity relating to First United Health have been redacted in the Redacted IOLA.

10. First United Health was an entity incorporated by Adam Greene and was a former indirect shareholder in CHT. A copy of the certification of formation for First United Health is attached herein as Exhibit JJ. First United Health was not included in any of the previous escrow statements reviewed by FTI. (*See* Exs. A-E.)

11. The total remaining balance of the Escrow Account is redacted, but a review of the details suggests that only \$278,500, associated with NorthStar First Health, LLC (“NorthStar”), remains in the Escrow Account. Of the \$16 million-plus outstanding balance previously recorded in the July 2017 Escrow Statement, essentially all of it has since been withdrawn. At least \$10 million of these funds were attributed to Ranga Bhoomi and Constellation Health/CHT Clsing. (*See* Exs. A and II.)

12. The \$278,500 deposit associated with NorthStar is dated September 2, 2015, which is within the time period covered in the July 2017 Escrow Statement that was previously reviewed by FTI. The fact that the NorthStar transaction was not previously included in the July

2017 Escrow Statement raises questions as to whether this transaction was entered retroactively. This is consistent with the fact that, while all other funds from the Escrow Account have since been withdrawn, the NorthStar deposit appears to be the only balance remaining in the account as of May 2018.

Pursuant to 28 U.S.C. § 1746, I declare under the penalty of perjury that the foregoing is true and correct.

Dated: New York, New York  
June 7, 2018

A handwritten signature in black ink, appearing to read "F. Lazzara", with a long, sweeping horizontal stroke at the end.

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Frank A. Lazzara